

THE UNIVERSITY OF TENNESSEE



Vice President for Administration and Finance

711 Andy Holt Tower
Knoxville, TN 37996-0174
(865) 974-2243
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January 18, 2005

Mr. Jim White
Executive Director
Fiscal Review Committee
G-19 War Memorial Building
Nashville, TN 37243-0057

Post-It® Fax Note	7671	Date	1/19/05	# of pages	19
To	Chris Eaton	From	Diane M. Neel		
Co./Dept.		Co.			
Phone #		Phone #	974-8036		
Fax #	615-253-0186	Fax #			

Dear Mr. White:

The University of Tennessee is submitting three non-competitively bid contracts exceeding \$250,000 for comment in accordance with Public Chapter 413, Public Acts of 2003:

Health Science Center Contract with Semmes Murphy's Clinic

The University of Tennessee and the State of Tennessee entered into a grant agreement for UT to provide medical and medically related services at the Arlington Development Center from July 1, 2004 through June 20, 3009. In order to fulfill the grant's requirements, the University is contracting for specialty services to provide on-site physician services at Arlington Development Centers for Development Disability Fragile Population. UT has had an affiliation agreement with Semmes Murphy for over 40 years. It is cost effective for the University to use its own physicians who are already affiliated with Semmes Murphy and can render these specialized services. Year-one of the contract (July 1, 2004 – June 30, 2005) is for \$73,344 with the five-year contract totaling \$405,120. We respectfully request the Committee's consideration for pre-approval for the remaining four years of this contract.

UT College of Medicine – Chattanooga Unit and Internal Medicine Educational Foundation

The University of Tennessee Health Science Center provides residency/supervision to the Chattanooga Hamilton County Hospital Authority, dba Erlanger Health System. The university subcontracts the supervision services to other agencies. The attached contract with the Internal Medical Education Foundation and UT provides teaching services for residents in the Department of Internal Medicine that is necessary to fulfill our supervisory responsibilities for the Erlanger Health System. The contract before you is a one-year contract totaling \$322,935.96 that has an effective date of July 1, 2004 through June 20, 2005.

Mr. Jim White
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University of Tennessee at Chattanooga and ION America Corporation

The Department of Energy (DOE) has awarded the City of Chattanooga's Enterprise Center, in collaboration with the UT Chattanooga School of Engineering and ION America, a grant to design, develop, manufacture, test, and deliver a 5kW grid parallel solid oxide fuel cell (SOFC) system. Such testing will provide an independent assessment of the unit's potential to achieve the cost and durability fuel goals of DOE. The cooperative agreement with DOE specifies the use of this particular fuel cell.

The Enterprise Center, which serves as the prime contractor for the DOE award, is providing funding through UT Chattanooga for this particular part of the project. UT will not be required to pay any share of the overall program cost. This flow-through contract totaling \$2,124,734 is for the period of November 1, 2004 through August 31, 2005.

I apologize in advance for submitting three contracts for your review after the beginning effective date. In all cases, delays were initially caused in finalizing contractual terms. The review process was further delayed by holidays and the request for additional supporting information. All parties involved with these contracts were notified of the need to process contracts timely. I plan to reinforce with the UT Chief Business Officers at their January 25 meeting of the need to continually remind departmental personnel of our expectations.

If you have questions or need additional information, please let me know.

Sincerely,

Sylvia Shannon Davis

Sylvia Shannon Davis
Vice President for Administration and Finance

c: Dr. John D. Petersen
Dr. Fred Obear
Mr. Bill Rice

THE UNIVERSITY OF TENNESSEE

CONTRACT

This Contract, made and entered into on Oct 5, 2004, documents the agreement between The University of Tennessee (hereinafter University) and Semmes-Murphey Clinic (hereinafter Contractor).

This Contract consists of this cover page, the University's Standard Terms and Conditions (on reverse), and 34 additional pages. Terms contained on this cover page and the University's Standard Terms and Conditions shall prevail over those of any attachment unless otherwise stated under "Other terms" below.

Contractor will provide the following:

Semmes-Murphey Clinic agrees to provide in compliance with Grant # 87148 between the State of Tennessee and the University of Tennessee, Adult Neurology Specialty consultation Services to the special needs population at Arlington Developmental Center and there community class members as further defined in the attached grant. These services will include staff on-site for specialty neurology services at Arlington. Continuing consultations for seizure control program at ADC.

The period of performance under this contract is from July 1, 2004 through June 30, 2009. However, the University may terminate this Contract by giving the Contractor at least thirty (30) days written notice before the effective termination date, in which event the Contractor shall be entitled to receive equitable compensation for satisfactory authorized work completed as of the termination date.

The University will compensate the Contractor \$ _____ per *See attached.

Other payment terms:

* See Attached
** See Attached

The University's maximum liability under this Contract is \$ 405,120.00.

Other terms (N/A if none):

1st Period: \$73,344.00 For the period Beginning July 1, 2004 and ending June 30, 2005
2nd period: \$76,992.00 For the Period Beginning July 1, 2005 and ending June 30, 2006
3rd period: \$80,832.00 For the Period Beginning July 1, 2006 and ending June 30, 2007
4th Period: \$84,864.00 For the Period Beginning July 1, 2007 and ending June 30, 2008
5th Period: \$89,088.00 For the Period Beginning July 1, 2008 and ending June 30, 2009

In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly authorized representatives.

FOR CONTRACTOR:

Signature _____

Name (Printed) _____

Title _____

Address
6325 Humphreys Blvd

Memphis Tennessee 38120

901-522-7700

Telephone Number

SSN or Fed. Id. No. _____

FOR UNIVERSITY:

College of Medicine _____

Department Name _____

Arlington Contract / R073202078

Responsible Account
(If applicable)

Administrative Signature
(Optional)

Authorized Official

Raymond H. Colson
Vice Chancellor / Administration

Revised November 1, 2004

THE UNIVERSITY OF TENNESSEE
JUSTIFICATION FOR NON-COMPETITIVE PURCHASES AND CONTRACTS
Values of \$50,000 or More

Contract Tracking Number

89936

Requisition Number for Items Processed through Purchasing:

This form must be completed for all non-competitive purchases for goods or services that are secured either through a purchasing requisition or a contract for expenditures of \$50,000 or more. This form and any other documents that support the justification of a non-competitive purchase must be approved in advance of securing the goods or services. Approvals include the Department Head, Director of Purchasing, and the Chief Business Officer or their designees. The Chancellor or Vice President or designee must approve expenditures of \$100,000 or more. The Vice President for Administration and Finance, or designee, must approve expenditures of \$250,000 or more.

Non-competitive service contracts, including amendments that cumulatively exceed \$250,000 must be routed to the Tennessee Legislative Fiscal Review Committee for comment. The Fiscal Review Committee has 15 days from the receipt of the contract information for comments. A minimum of 30 days will be required to process service contracts exceeding \$250,000.

Information Related to the Purchase of the Goods or Services**1. Type of Request:**

Non-Competitive Contract (Sole-Source) ☒
Contract thru Purchasing ☐
Requisition thru Purchasing ☐

2. Prepared By:

Name: Judy A. Pantall
Email address: jpantal1@utmem.edu
Phone No: 901-448-4077

3. Cost Center or WBS Element:

Name: College of Medicine
Number: R073202078

4. Proposed Contractor or Vendor:

Name: Semmes Murphy's Clinic
Address (Street): 6325 Humphreys Blvd
Address (City, State, and Zip Code): Memphis Tennessee 38120

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5. Effective Date:

Beginning Date	July 1, 2004
Ending Date	June 30, 2009

6. Estimated Cost:

405,120.00

7. Source of Funds (e.g. state funds, federal funds, etc.):

State

8. Is this an amendment to an existing contract/purchase order?☐ Yes☒ No**9. If Yes,**

Number of Original Contract/Purchase Order
Beginning Date of Original Contract/Purchase Order
Amount of Original Contract/Purchase Order
Accumulated Cost with this amendment

10. Describe the primary reason the University is entering into this contract/purchase

The State of Tennessee and the University of Tennessee have a signed grant from the State of Tn for continuing services until June 30, 2009.

11. Describe the goods or service to be acquired.

Under the provisions of the U.T/Semmes Murphy Affiliation agreement (Contract #38497 (5794), the Semmes Murphey Clinic will actively support the educational activities and patient care responsibilities of the University's College of Medicine Department of Neurosurgery and mutually agreed upon hospitals. In order to fulfill the requirements of the State of Tennessee/ University of Tennessee Grant for Arlington Developmental Center, The University must contract out for Specialty services to provide physicians capable of providing on site services at Arlington Developmental Center for Developmental Disability Fragile population. In order to be cost effective the University uses it's own physicans who are affiliated with Semmes Murphy and can render these specialized services.

12. Is there an urgent need or an emergency preventing competitive methods?☐ Yes ☒ No ☐ N/A

If yes, please explain:

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13. Is there only one product or service that can meet the specific needs or must the product or service be provided by this particular source.

☒ Yes ☐ No ☒ N/A

If yes, please explain:

Yes, This Group of Neurology is the only group with in 150 mile radius that does seizure Control charting, Data Base for each patient, and the the metabolic effects.

14. Does proposed contractor or vendor have experience providing same or similar goods or services?

☒ Yes ☐ No

15. Has the department ever purchased these same goods or services from this vendor?

☒ Yes ☐ No

If yes, what procurement method was used? (Ex. Competitive, Non-Competitive, etc.)

Non- competitive since 1994.

16. If for services, was an effort made to use existing University employees to perform services?

☒ Yes ☐ No

If no, why not?

17. Is the contract for services from another governmental unit, such as a State or federal agency, or from another college or university?

☒ Yes ☐ No

Justification

A complete justification must be provided to explain why the University should acquire the goods or services through non-competitive procurement request rather than through a competitive process. (Note: Being the "only known" or "best" is not deemed adequate justification.)

Under the provisions of the U.T/Semmes Murphy Affiliation agreement (Contract #38497 (5794), the Semmes Murphey Clinic will actively support the educational activities and patient care responsibilities of the University's College of Medicine Department of Neurosurgery and mutually agreed upon hospitals. In order to fulfill the requirements of the State of Tennessee/ University of Tennessee Grant for Arlington Developmental Center, The University must contract out for Specialty services to provide physicians capable of providing on site services at Arlington Developmental Center for the Developmental Disability Fragile

Revised November 1, 2004

population. In order to be cost effective the University uses it's own physicans who are affiliated with Semmes Murphy and can render these specialized services.